ABSTRACT: The purpose of the present study is to provide a critical review of the relation between organizational culture and the levels of job satisfaction experienced by employees. Organizational culture refers to a series of attitudes and behaviors adopted by employees of a certain organization, which affect its function and total well-being. Job satisfaction refers to the employees’ perceptions of their working environment, relations among colleagues, earnings and promotion opportunities. The review shows that contemporary job-related phenomena like job satisfaction are related to their perceptions of their working environment, relations with colleagues, institution aims and strategies and success criteria. In addition, the employees’ preference of organizational culture is likely to be affected by demographic characteristics, especially gender. It can be supported, therefore, that measuring and analyzing an institution’s organizational culture in combination with its employees’ demographic and individual characteristics may lead to valuable conclusions, so that job satisfaction is promoted.

Keywords: Organizational Culture; Job Satisfaction

JEL Classifications: J24; M11; M12; M14; O15

1. Introduction

In contemporary western countries, the rapid development of science, medicine and technology during the last century has led to enormous social, cultural and economical changes. The fields of industry and investment have risen dramatically and the worldwide market has become very demanding and competitive. Therefore, a certain type of culture has arisen among employees, indicating the type of the institutions’ internal organization and external strategies. However, the recent worldwide financial crisis has led to unexpected fluctuation and disturbed the balance of global market. As a result, the employees’ salaries have decreased, working hours have been extended and working force has weakened.

Such upheavals have made employees more vulnerable to anxiety, disappointment and aggressive behavior. In particular, employees have grown negative attitudes towards their working conditions, superiors and colleagues, they tend to feel more stressed and less committed to their job, have an urge to quit and experience high levels of disappointment and pessimism. For this reason, the interest of experts and company managers has turned to the study of human resource management and attribution, in order to promote the employees’ feeling of job satisfaction and deal with their experience of occupational stress and emotional burnout.

2. Literature Review

2.1. Organizational Culture

Culture itself is a product of a group of people living at the same place and having similar attitudes and behavior. People who belong to a certain culture share similar norms, history, religion, values and artifacts which distinguish them from others. Therefore, there are numerous national cultures and even more subcultures, providing certain types of organization and action. In modern
Organizational culture has been a subject of investigation for many decades, as the fact that distinctions between values and expectations of employees with different cultural backgrounds had always been clear (Tayeb, 1996). Black et al. (1992) have come to the conclusion that problems that are likely to come up during international business activities and working settings are wrongly attributed to professional incompetence, while they most probably occur due to the employees inability to perceive other people’s ideas and attitudes and adapt to foreign strategies. Therefore, a fundamental challenge for organizations is to make their employees re-categorize demographically dissimilar people as in-group members, in order to increase interaction and mutual trust and benefit from information diversity (Gruenfeld et al., 1996).

As Hofstede (1991) has noted, the employees’ behavior in their workplace is influenced by three different cultures: their national, their occupational and their organizational culture. More specifically, an individual’s attitudes and beliefs toward his/ her occupation are chiefly influenced by his/ her personal values and ideals, which have been achieved in the frame of family during his/ her earlier development. Secondly, a person’s specific views, perceptions and ambitions are formed during school and professional life and belong to the occupational culture shared among partners. Finally, organizational culture is a product of occupational relations among employees and between employees and customers, thus it is likely to reform and adapt to the institution’s goals and strategies. Therefore, an organization’s internal culture should be studied and measured as part of its employees’ national culture, demographic characteristics and individual features.

The first systematic attempt to describe working environment in terms of culture is considered to be the investigation of the Hawthorne effect at the Western Electric Company in the early 1930’s. The purpose of the study was to examine if factory employees would become more productive in response to the fact that they know they are being studied. A number of studies followed, measuring workers’ productivity in different levels of illumination, clean work stations and floors without obstacles. As results were encouraging, more experiments were conducted. The study of Mayo and Warner in 1931-1932 revealed the formation of small groups of colleagues (cliques), with informal rules of behavior and internal support. Thus, employees were considered to be more responsive to the social force of peer groups than to the incentives and control of managers (Mayo, 1945).

In the decades that followed, studies of the phenomenon of organizational culture were conducted by psychologists and sociologists. In the 1970’s, the universal rise in economy and the concomitant increase of competition among companies led to the migration of big numbers of workers and employees to the countries of the Western world, a fact that made organizations and institutions multicultural and miscellaneous. The purpose of many researches was to study whether the employees’ corporate attitudes, values and ways of behavior influenced their work performance and the institution’s success (Tharp, 2009). Gradually, researchers and writers introduced new means of improving business performance via knowledge, lifestyles, values and experiences shared among employees (Ouchi, 1981, Deal and Kennedy, 1982, Pascale and Athos, 1981).

### 2.1.1 Definitions of Organizational Culture

With numerous definitions suggested for organizational culture, many researchers have come to the agreement that it refers to a system of values, beliefs and behavior shared among employees (Deshpande and Webster,1989; Ravasi and Schultz, 2006; Xiaoming and Junchen, 2012). The most popular and concise definition is most probably the one that has been formed by Schein (2004), who stated that: “Organizational culture is the pattern of basic assumptions that a group has invented, or discovered in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (p. 3). According to him, culture is a dynamic process, resulting from the interaction among others and promoted by leadership.
behaviors. It encompasses “a set of structures, routines, rules and norms that guide and constrain behavior” (Schein, 2004, p.1). Another successful –and perhaps more specific- definition of organizational culture has been given by Claver et al. (2001, p. 248), according to which “organizational culture is a set of values, symbols and rituals, shared by the members of a specific firm, which describes the way things are done in an organization in order to solve both internal management problems and those related to customers, suppliers and environment”.

Tharp (2009) has noted some common features among the definitions that have been given to organizational culture through the years. First of all, they all include the concept of sharing; indicating that organizational culture is only developed within groups (even small ones). Secondly, organizational culture is considered to be a social construction, related to each organizations and employees’ location, history, working environment and specific events. Finally, many definitions imply that organizational culture is multidimensional and multileveled and includes many cognitive and symbolic strata.

What is more, Schein (2004) has distinguished three locations where an organizational culture is likely to be found: 1) Observable artifacts: They refer to an organization’s specific attitudes, beliefs and behaviors and may include its location and architecture, technologies and products, mission statement and values, individual style (e.g. dress code of employees), language and jargon, practices and stories, and even the employees’ sense of humor, taboos, or special rituals and ceremonies. 2) Espoused values: They are vindicated by the organization’s superiors and may or may not be reflected in the employee’s actual behavior. An organization’s leadership should have significant influential skills, in order to make such values acceptable by employees. These values allow organizational members to interpret personal schemes used for perceiving situations, creating the basis for collective action. They develop over time, while members of a group create strategies to face problems and pass them along incoming members. Should superiors of an organization succeed in passing their schemes and values to the employees, those values may become so ingrained and taken-for-granted that employees act in certain ways unconsciously, while they experience the feeling of security and the sense of belonging.

2.1.2. Types of Organizational Culture

During the study of organizational culture, researchers have distinguished many different types, in order to describe the format and function of institutions and organizations. Deal and Kennedy (1982) had suggested four types of organizational culture, referring to the organization’s strategies and expectations from employees: 1) The Tough-Guy, Macho culture: employees who belong to this type of culture usually work under a lot of pressure and are considered to be eager to take risks in order to fulfill their personal ambitions and their organization’s goals. 2) The Work Hard/Play Hard culture: in organizations with this type of culture, the behavior of employees revolves around the needs of customers and pass them along incoming members. Should superiors of an organization succeed in passing their schemes and values to the employees, those values may become so ingrained and taken-for-granted that employees act in certain ways unconsciously, while they experience the feeling of security and the sense of belonging.

Another four types of organizational culture have been suggested by Xenikou and Furnham (1996), referring to the organization’s goals and decision-making: 1) The Openness to change/innovation culture: this type of culture is human-oriented and promotes affiliation, achievement, self-actualization, task support and task innovation. 2) The Task-oriented culture: organizations with this type of culture focus on detail and quality of products or services, while superiors are characterized by high ambitions and chase success. 3) The Bureaucratic culture: this type of culture is rather conservative and employees are characterized by centralized decision making. 4) The Competition/Confrontation culture: organizations with this type of culture are highly competitive, goal-oriented, while superiors chase perfection and achievement.

Daft (2001) suggested another four types of organizational culture, based on environmental requirements: 1) Entrepreneurial Culture: Organizational strategic focus is external so that it acts to meet needs and requirements of clientele and customers in a dynamic and variable environment. It creates changes and innovation, risk ability, prospect, group working, freedom and autonomy. 2)
Involvement Culture: It is focused on participation and involvement of organizational members and environmental expectations which vary promptly and it creates sense of accountability, ownership and further commitment to organization in personnel. 3) Mission Culture: It takes service to customers in outside environment into consideration. It does not need to rapid changes and instead personnel are accountable for performance up to certain level. 4) Bureaucratic Culture: It is focused internally and adapted to a fix environment. In such a culture, personnel’s involvement is low but supervision and control over environment are high. Some factors like organizational discipline and rank and position and observance of hierarchy are highly important in this culture.

Denilson et al. (2004) have distinguished four traits – types of an organization’s subcultures: 1) Adaptability: creating change, customer focus, organizational learning. 2) Mission: strategic direction and intent, goals and objectives, vision. 3) Consistency: core values, agreement, coordination and integration. 4) Involvement: empowerment, team orientation, capability development.

Another model of organizational culture types has been developed by Cameron and Quinn (2006). They suggested four types of culture which refer mainly to the relations among employees: 1) The Hierarchical culture: this type of culture is considered to be well coordinated, characterized by formal rules and policies. 2) The Market culture: organizations that adopt this type of culture aim to be highly competitive, while winning is the “glue” that holds the employees and the organization together. 3) The Clan culture: this type of culture refers to a friendly and “cosy” working environment, where the working force is perceived as an extended family and the superiors are perceived as mentors; employees are characterized by high job and organization commitment and develop friendly relations. 4) The Adhocracy type: this type of culture is characterized by innovation and risk taking, assured by a highly creative and dynamic working environment.

Chatman et al. (1998) mention two different types-dimensions of organizational culture: Individualism and Collectivism, which are likely to influence the process of employees’ social categorization. Individualistic organizational cultures focus on and reward employees’ personal accomplishments, individual characteristics and abilities. This dimension is rather flexible, as employees are allowed and encouraged to behave in their own personal way. Therefore, organizational membership is not salient and personality traits are appreciated. As Markus and Kitayama (1991, p. 224) put it, “individuals maintain their independence from others by attending to the self and by discovering and expressing their unique inner attributes”. Collectivistic organizational cultures, on the other hand, are characterized by a general agreement of acceptable actions and behaviors, which assure shared objectives, interchangeable interests and commonalities among employees. The main priority of collectivistic cultures is independence and cooperation, so organizational memberships form a basis of social categorization. In addition, employees are likely to accept harsh criticism if they deviate from the culture’s norms (Triandis, 1995), so simply being a member of the organization may be enough to qualify an employee as an in-group member (Wagner, 1995). However, since collectivistic organizational cultures focus on common targets and aspirations, employees may perceive their internal disagreements as constructive, rather than threatening for the organization’s success. On the contrary, disagreements and challenges in the frame of individualistic organizational cultures are likely to be taken more personally and be perceived as competitive (Axelrod, 1984).

So far it has been made clear that although the concept of organizational culture is not easily captured and defined, it is an observable and significant aspect of an organization’s function. Since it includes the employee’s shared beliefs, values, behaviors and symbols, it strongly affects individual decisions and group actions. Organizational culture could possibly be perceived as a compass which provides the institution with direction. It offers a kind of informal language for the interpretation of issues and events; it ensures a sense of order and reduces employees’ uncertainty.

Despite the variety of definitions and models suggested for the content and types of organizational culture, similar descriptions and characteristics can be found. For instance, organizational cultures and its subtypes mainly refer to the organization’s hierarchy and structure, goals and investment policies. In addition, the working conditions and employees’ behaviors are taken into consideration, while the importance of internal relations is significant. Additionally, the organization culture of an institution seems to reflect its inner coherence and completion and external function and adjustment (Schein, 1991). In general, it can be said that organizational culture is defined in terms of employees and superiors, products, processes and leadership’s espoused values. It includes
the institution’s experiences, general expectations, internal philosophy and values that hold the working force together and is reflected in its image, external interactions and future plans.

Therefore, the type of an institution’s organizational culture affects its function and general well-being. For this reason, the phenomenon is considered to be multidimensional and appertains to the fields of psychology, sociology, human resource studies, as well as business administration and management, marketing, product development and advertising (Blake and Lawrence, 1989). Peters and Waterman (1982) have noted that the elements of an organization’s culture decide its possibilities of success, while the research of Kotter and Heskett (1992) has revealed that the stronger an organization culture is, the more likely it is to last through the change and replacement of employees. Moreover, it must be stated that no organizational culture type is considered to be better than another. The value of each type is measured by a specific organization’s well-being, total function and goal achievement.

For example, the study of Chuah and Wong (2012) showed that in order to control a clan type organizational culture, the organization’s leaders should employ significant resources and authority to influence the building and leveraging of the clan. The leaders – “controllers” access a large amount of resources that are used to guide others for project outcomes, but also promote the build-up for shared structures, cognition and relationships that smooth the development of a clan control that strengthen or inhibit clan norms. Other authors, like Rud (2009) focus on collaborative leadership teams, which are essential for commitment to strategic use of information, regardless the organizational culture type, in order to reinforce knowledge process.

Based on Heskett’s state that “organization culture can account for 20-30% of the differential in corporate performance when compared with ‘culturally unremarkable’ competitors”, Coleman (2013) has distinguished six common components of successful types of organizational culture: 1) Vision: A specific goal or mission provides an organization with purpose, which guides employees’ decisions and improves relations with customers and suppliers. 2) Values: The values of an institution are the core of its culture. They provide guidelines to the employees, so that communication among colleagues is promoted, professional standards are held high and the institution’s vision is achieved. 3) Practices: The specific values of an organization should be followed by equivalent practices, which should be reinforced in review criteria and promotion policies, so that they become part of the organization’s everyday life. For example, if an institution’s culture is hierarchical and “flat”, junior team members should be encouraged to dissert in discussions without fear or negative repercussions. 4) People: The values of an organization should be embraced by both its existing and future employees and therefore the recruiting policies should focus on people who are not only talented, but suitable for the organization’s specific culture type. 5) Narrative: An organization’s unique history should be identified, shaped and retold as part of its ongoing culture. 6) Place: An integral element of an organizational culture is its location and working environment, perceived in terms of geography, architecture and aesthetic design. All those factors are very likely to influence the employees’ values and behaviors, and thus promote the organization’s performance and effectiveness.

Form all the above, one could support that the study and improvement of an organization’s culture is a contributing factor to its success. A few decades back, Hofstede (1986) had pointed out that organizational culture is fundamental for superior’s perception and control of the organization’s working force and potential. Jackson (2011, p. 58) has noted that in modern societies and technology-based business organizations “culture is becoming increasingly important given the adoption of groupware applications, enterprise resource planning systems and other internet based systems by organizations, which support cross collaboration and require greater user participation at all levels”.

Furthermore, it can be said that organizational culture is a complex phenomenon, a product of dynamic social process. As and Myers (1995, p. 52) had put it: “Cultures are challenged, ever-changing and emergent; they are invented and reinvented in social life”. Consequently, organizational culture has been linked to many occupational phenomena, like human resource management, job commitment, job satisfaction, and –in many cases- occupational stress and burnout. This fact has been supported by many researchers, like Farris et al. (1973), who revealed the role of trust in organizational interpersonal relationships. In their research, trust was related to organizational culture and employees’ job commitment and integration into work groups and organizations. Martins & Terblanche (2003) stated that the two main functions of organizational culture, internal integration and
coordination, have a strong influence on an organization’s creativity and innovation. More specifically, internal integration describes the feeling of belonging and commitment, while coordination refers to the creation of a competitive ground and development of social glue that holds an organization together.

2.1.3. Measuring Organizational Culture

Apart from the various types and models that have been suggested for the description of organizational culture, quite a big number of instruments for the measurement of organizational culture have been developed as well. In the last few decades, both academics and practitioners in management science have focused on studying possible ways to measure the dimensions of organizational culture and how such measures relate to the effectiveness and competitiveness of an organization (Mobley et al., 2005).

Harrison (1975) developed an inventory to address both the existing and the preferred culture within an organization called the Harrison’s Organizational Ideology Questionnaire. The inventory consists of 15 items assessing the ideology which has been developed by an organization’s employees in terms of four dimensions, orientation to power, roles, tasks and individuals. Respondents are asked to rank four statements in each of the 15 items in terms of how representative they are both of the organization and of their own attitudes.

Another famous instrument of measuring organizational culture is the Organizational Culture Inventory (OCI), developed by Cooke and Lafferty (1987). It includes 120 items which assess shared norms and expectations that are likely to affect the ways of thinking and behavior of group members, resulting 12 styles: humanistic/helpful, affiliative, approval, conventional, dependent, avoidance, oppositional, power, competitive, competence/perfectionalist, achievement, self-actualization. After analyzing those styles, three factors arise: people/security culture, satisfaction culture and task/security culture. In 1987 as well, Glaser, Zamanou and Hacker carried out the Organizational Culture Survey, designed to address six empirical factors: teamwork and conflict, climate and morale, information flow, involvement, supervision, meetings. It includes 31 items and the responses were given in a 5-point scale.

In 1990, Hofstede, Neuijen, Ohayv and Sanders carried out a qualitative and quantitative study of 20 cases using Hofstede’s Organizational Culture Questionnaire. The questionnaire included 135 items given in 5-point scales, which were based on three values: need for security, importance of work and need for authority. Within these, there are six factors relating to practice issues: process vs outcome, employees vs task, parochial vs professional, open vs closed system, loose vs tight control, normative vs pragmatic.

In the mid-1990’s, McKenzie’s Culture Questionnaire (1995) was developed in the frame of National Health Service. It includes 76 items and respondents tick each statement that they consider to be broadly true of their organization. The questionnaire assesses various factors: employees’ commitment, attitudes to and belief about innovation, attitudes to change, style of conflict resolution, management style, confidence in leadership, openness and trust, teamwork and cooperation, action orientation, human resource orientation, organizational direction. In 1996, Walker, Symon and Davies published the Corporate Culture Questionnaire, evaluating four principal domains: performance, human resources, decision-making and relationships. There are two versions of the Questionnaire, one of 69 and another of 126 items, each given in a 5-point Likert-type scale.

Buckingham and Coffman (2000) suggested the Core Employee Opinion Questionnaire which addressed 13 issues of business units, companies and other organizations: overall satisfaction, understanding of expectations, access to required resources, appropriate use of skills, recognition and praise for achievements, relationship with supervisors, encouragement for self-development, perceptions of worth, engagement with organizational mission, commitment of all employees, friendship appraisal, opportunities for career progression.

Cameron and Quinn (2006) created the famous Organizational Culture Assessment Instrument (OCAI), based on the four culture types mentioned above. The evaluation of a culture is made through those four core values, in a 2 x 2 competing values, Flexibility and discretion opposing Stability and control and Internal focus and integration versus External focus and differentiation. According to Jones et al. (2006), internal versus external focus separates the organizational improvements driven by mostly internal business processes and people caring from the ones caused by external stakeholder
wishes. Stability versus flexibility distinguishes between organizations that are more stable and organizations that promote innovation, personal growth, continuous organization improvement and change. The competing values cross upon six dimensions: Dominant characteristics, Organizational leadership, Management of employees, Organizational glue, Strategic emphasis and Criteria of success.

2.1.4. Organizational Culture and demographic characteristics

As it was mentioned, organizational culture is a social construction and has therefore been correlated to various demographic factors, like gender, age, years of working experience in general and in the specific institution, educational level and position held. More specifically, the observable values and norms adopted by an organization’s employees are considered to influence their perceptions of one another and the interaction among them, as well as their problem solving and decision making (O’Reilly and Chatman, 1996). In general, demographical diversity in organizations has been positively related to several benefits, like variance in perspectives and approaches to work provided by employees of different backgrounds, useful new information incorporated into decisions and responsiveness to changes (Thomas & Ely, 1996, Donnellon, 1993, Nemeth, 1992). Many researchers have supported the positive effects of demographic heterogeneity, via a “value-n diversity” hypothesis (Cox et al., 1991). It should be noted, however, that other experts have come to the conclusion that heterogeneous work groups experience more difficulties in communication and are less socially integrated, while they feel less attached to their organization (O’Reilly et al., 1989; Tsui et al., 1992).

Other researchers, like Turner et al. (1994) have come to the conclusion that in working frames where organizational membership is salient, demographic attributes are expected to be less salient. In particular, collectivistic types of organizational culture are likely to increase the salience of organizational membership as a social category, causing a corresponding decrease in the salience of demographic categories. However, Chatman et al. (1998) claim that interaction among demographically dissimilar people should be higher in collectivistic than in individualistic organizational cultures, since employees are perceived as part of the in-group.

Among others, organizational culture has been studied under the influence of gender, in order to find out differences in terms of employees’ perceptions, preferences and behavior. Generally, literature results have revealed different gender traits of men and women, with male employees being very competitive and female employees avoiding competition and acting in a more inclusive and collaborative way (Eagly et al., 1992).

Holt and DeVore (2005) have noted that men have historically been socialized to hold dominant power positions and communicate in direct and confrontational ways. On the other hand, women have been socialized to play a more receptive role, which includes taking care of other people and worrying about their needs. As a result, they are considered to perceive strong relationships among colleagues as being of great importance, thus they prefer smoothing communication strategies and compromising instead of aggressive and competitive work behavior.

Taking into consideration the banking field, several studies have revealed that the employees’ perception and preferences of their institution’s organizational culture are affected by a series of demographic factors, like gender, age, educational level and years of experience (Grant, 1998, Chen et al., 2008; Gjiurai, 2013). For instance, Chen et al. (2008) found that bank employee’s perceptions of organizational culture were influenced by various factors: type of bank, human relations practices, age, educational background and years of service. Furthermore, each bank type which was studied in their investigation had a specific pattern of gender differences that was related to the ownership, history and type of business of that bank type. The study of Dwyer et al., (2003) on the influence of gender diversity on firms’ performance showed that the latter was dependent on the organizational context of the company.

Two recent studies of Belias and Koustelios (2013a, 2013b) revealed that the gender of bank employees was likely to affect both their institution’s current culture type and their preferred type as well. In general, women seemed to prefer a more friendly-family working environment (clan culture), while men preferred the competitive environment of the market culture. In particular, women reported working in an organization characterized by hierarchy, while they would prefer to work in a more clan
institutions. Men, on the other hand, reported that they both worked and would prefer to work in an organization which is characterized by market features and rules.

The above results can be explained by the fact that banks and credit institutions are considered to be formal working places, where stability and efficiency are essential. Additionally, reliability is important so formal rules and policies are essential for the running and vitality of the organization. Since all these characteristics are typical of the hierarchical type of organizational culture, it is only natural that hierarchy rules in Greek banking institutions. The application of formal rules and policies in the management of the bank as well as in the customer-bank transaction is important since in that way the risk of mistake conduction is minimized. As a result, the authorities and responsibilities of each employee are clearly defined, a definite rank of authority is established and strict policies are applied, all contributing in company’s stability and control.

Apart from gender, organizational culture has been correlated with employee’s educational level, especially the possession of a master degree or not. In general, the role of education is considered to be crucial for the shaping of a specific culture via a system of priorities, values and practices (Hofstede, 1991; Gjuraj, 2013). When it comes to employees and organizational culture, Chen et al. (2008) noted that the length of educational training affects the years of employment, meaning less time to conform with the established values of the firm.

The recent study of Belias and Koustelios (2013b) showed that the majority of both employees with a Bachelor’s degree and of those without one perceived the organization they worked in as hierarchically organized place. In addition, both employees with and without a degree seemed to perceive their organization as hierarchical, but Master’s degree holders reported that their preferred organizational culture is hierarchical, while non-holders would prefer a clan working environment. The study confirmed previous findings, according to which heterogeneous work groups are considered to be less socially integrated and characterized by more conflicts, communication problems and higher turnover rates (Zenger & Lawrence, 1989). In addition, employees who differ from their colleagues in several features, like gender, age, race or educational level, tend to feel more uncomfortable in their workplace and less attached to the organization or institution they work in (Tsui et al., 1992).

In the study of Chatman et al. (1998), however, the sample consisted of MBA students, who had exactly the same educational background. Thus, they were expected to be open-minded, have a politically correct behavior and be eager to cooperate with colleagues with different demographic features. Surprisingly, substantial variance in work processes and outcomes was found, indicating the role of an organization’s specific culture. Therefore, it could be supported that the formation of an organization’s specific culture is partially influenced, but not determined by its employees’ demographic characteristics. Similarities and differences among employees of different gender, educational level, age and position can be found in any working environment and attributed to the specific values, attitudes and behaviors shared by co-workers and/or superiors.

2.2. Job Satisfaction & Organizational Culture

With the great number of organizations and institutions globally, it is only natural that the general well-being of workplaces has become an object of theoretical interest and extensive research. An organization’s well being is described as the way in which its function and quality are perceived by employees (Warr, 1992). It includes the employees’ physical and mental health, sense of happiness and social well being, which are all attributed with the term “job satisfaction” (Grant et al., 2007).

Job satisfaction is one of the most frequently investigated variables in organizational culture, behavior and other occupational phenomena, ranging from job design to supervision (Spector, 1997). In general, job satisfaction encapsulates an employee’s feeling about his/ her job. Research, however, has revealed that job satisfaction is a multidimensional phenomenon, influenced by several internal and external factors, like the individual’s values, principles, personality and expectations and the job’s nature, the opportunities provided etc. (Davies et al., 2006). Many different components of job satisfaction have been defined and studied, in the frame of a general effort to analyze and promote it.

The basis for the investigation and assessment of job satisfaction was formed by the Motivation-Hygiene theory of Herzberg et al. (1959), according to which employees’ feelings toward their job are affected by two factors, motivators and hygiene issues. In particular, motivators are able to create satisfaction by fulfilling the individual’s needs for meaning and personal growth. They include the work itself, personal achievement, responsibility, recognition and advancement. Those
factors satisfy a person’s need for self-actualization, thus lead the employee to develop positive job attitudes. Hygiene factors, on the other hand, do not actually motivate employees, but –if they are properly handled- can minimize the feeling of dissatisfaction. They include physical working conditions, job security, supervision, salary, institution policy and administration, interpersonal relations and benefits. If the hygiene factors are addressed, the motivators will promote the employee’s job satisfaction and encourage production.

Therefore, Herzberg and his colleagues (1959) formulated the two-factor theory, according to which job satisfaction and dissatisfaction are two separate and sometimes ever unrelated, phenomena, which they should not be measured on the same continuum. Intrinsic factors – motivators are considered to be “satisfiers”, while extrinsic factors – hygiene factors are perceived as “dissatisfiers”. The significance of Herzberg’s work lies in the fact that it revealed the global character of job satisfaction. The global approach is used in the study of the employee’s overall attitude toward their work, while the facet approach is used in the study of separate job parts which are likely to promote or prevent job satisfaction and dissatisfaction (Sowmya and Panchanatham, 2011).

A few years later, Hackman and Oldman (1975) formed another model of job satisfaction, in order to describe the causal relation between a job’s features and the employees’ behavior. This relation is affected by three psychological conditions: 1) Experienced meaningfulness of work, 2) Experienced responsibility for the outcomes of work and 3) Knowledge of the actual results of work. According to this theory, employees are more likely to react positively to their work if they experience the feeling that their work is remarkable and that they are responsible for their job performance and if they are aware of their actual job performance. The first psychological condition is affected by three fundamental job features, skill variety (different activities require different skills), task identity (completion of a special task) and task significance (the effect of a task on other people). The second condition is affected by another job feature, autonomy (independence and freedom during the completion of a task), while the third condition is affected by the job feature of feedback (providing accurate information about the effectiveness and performance in a specific task). The combined values of these five variables define the overall complexity of the task, which is called motivating potential. The motivating potential is the degree that intrinsic motivation of the employee can be caused and it is affected by the combination of the above five features.

During the following decades, many researches were conducted in order to define and describe the dimensions of the job satisfaction phenomenon. The work of Kennerly (1989) revealed the relationship between job satisfaction, leadership behaviors and organizational culture. More specifically, organizational behaviors, like warmth among employees, mutual trust, respect and rapport between employees and superiors can be significant predicting factors of the job satisfaction experienced by employees in the field of health. The work of Billingsley and Cross (1992) showed that leadership support, work involvement and low role conflict can be predicting factor of job commitment, job satisfaction and unwillingness to quit. Moody (1996) found that job satisfaction was higher among employees with many years of experience in the specific institution, in terms of nature of work, income and cooperation among colleagues.

In the years that followed, the interest of researchers was turned to a cognitive approach of job satisfaction, taking into account not only the employees’ needs, but their cognitive processes that determine their attitudes and perspectives. Spector (1997) reviewed the most popular job satisfaction instruments and summarized the following facets of job satisfaction: appreciation, communication, co-workers, fringe benefits, job conditions, nature of the work itself, the nature of the organization itself, organization’s policies and procedures, payment, personal growth, promotion opportunities, recognition, security and supervision.

The study of Doughty, May et al. (2002) showed that the most appreciated job satisfaction factors were job involvement, cohesion among colleagues, support from superiors and opportunities for autonomous action. The counterpart factor revealed by the study of Castillo and Cano (2004) was the work itself, while working conditions were reported to be the less important factors. Other factors of job satisfaction reported in the study of Ambrose et al. (2005) were salaries, mentoring and promotion opportunities.

Literature review shows that job satisfaction is a complex phenomenon, which does not happen in isolation, but depends on organization variables, like structure, size, salary, working
conditions and leadership, all of them constituting organizational climate and culture (Boyens, 1985). Organizational culture can be promoted to facilitate the achievement of job satisfaction and organizational goals. The measurement of culture can serve as a starting point in diagnosing and influencing such change in the organization. The research of Kousteelios (1996) revealed that there is no statistically significant difference between employees of different types of organizational cultures and different types of institutions. In every institution, the prevailing culture seems to be the so-called culture of power, which means that there is a central source of influence and authority – either one person or a group of people. This source affects job satisfaction in terms of working conditions, colleagues, institution as a whole and promotion opportunities. Furthermore, the organizational culture of power seems to be the most appropriate for the ultimate aim of management, the identification of the goals of the employees and those of the institution. Employees who are able to work in small groups tend to be more efficient and productive, thus promoting the institution’s function and competition (Deal and Kennedy, 1988, as referred in Kousteelios, 1996).

The first researches on the relation between organizational culture and job satisfaction suggested that a productive working environment promotes the construction of a specific organizational culture and the experience of employees’ job satisfaction (Hellriegel and Slocum, 1974, Schneider and Synder, 1975). In addition, they implied that job satisfaction increases as employees progress to higher job levels (Corbin, 1977).

In the 1980’s, the study of Schneider and Reichers (1983) found a correlation between organizational climate and job satisfaction for employees in certain job positions, as well as a relation between satisfaction and turnover. According to them (1983) organizational culture is a combination of value system and assumptions which lead an organization to run its business. McCormick and Ilgen (1987) suggested that the measurement of individual dimensions of job satisfaction enables researchers to identify the environmental factors (climate variables) related to certain dimensions of job satisfaction.

During the 1990’s, the studies of Robbins (1993) and Hutcheson (1996) suggested that, since the dimensions of job satisfaction are components of an organization, job satisfaction is an evaluation of organizational culture. The latter described job satisfaction as the difference between the outcomes that an employee expects to receive and those that he/she actually receives. Therefore, job satisfaction is related to job characteristics and evaluated according to what employees perceive as being important and meaningful to them. The evaluation of the different aspects of the job by employees is thus subjective, and people will reflect different levels of satisfaction around the same factors.

Kousteelios (1991) reviewed a number of investigations correlating job satisfaction with several aspects of organizational culture: organization size, employees’ background, attitudes and national culture. In addition, he found that there was a significant difference in job satisfaction among employees who operate in different organizational cultures. Also, he found that when employees have a match-up between their present and desired culture, they are more satisfied with the intrinsic aspects of their work.

The study of Kline and Boyd (1994) revealed that employees at different levels of the organizations are affected by different work factors. In particular, different aspects of the working environment should be looked into when addressing the issues of job satisfaction amongst different positions in the same organization. Kerego and Mhubha (1997) described job satisfaction as the evaluation of the organizational context, while organizational climate and culture provide a description of the work context.

In the 2000’s the results of a number of researches revealed the clear relation between organizational culture and job satisfaction (Jiang and Klen, 2000; Mckinnon et al., 2003; Navaie-Waliser et al., 2004; Rad et al., 2006; Arnold and Spell, 2006; Chang and Lee, 2007; Mansoor and Tayib, 2010). The study of Sempane et al. (2002) revealed a significant relation between organizational culture and the variables of job satisfaction, as the latter was found to be able to predict employees’ perceptions of organizational culture. Many of them perceived some aspects of organizational culture more positively (e.g. organizational integration, customer orientation) than some others (e.g. conflict resolution, disposition towards change, locus of authority, management style and task structure). The study of Shurbaghi and Zahari (2012) found that the relationship between the four types of organizational culture (Clan, Adhocracy, Market and Hierarchy culture) and the five
facets of job satisfaction (Supervision, Benefits, Rewards, Operating and Co-Workers satisfaction) was positive and significant.

For the measurement of job satisfaction in the frame of organizational culture, several inventories have been developed. One of the most widely known and used is the Employee Satisfaction Inventory - ESI (Koustelios, 1991; Koustelios and Bagiatis, 1997). The inventory was created using Greek employees as a sample. It included 24 questions, which measure six dimensions of job satisfaction: 1. Working conditions (5 questions), 2. Earnings (4 questions), 3. Promotions (3 questions), 4. Nature of work (4 questions), 5. Immediate superior (4 questions) and 6. The institution as a whole (4 questions). The responses were given in a five-level Likert scale: 1 = I strongly disagree, 5 = I strongly agree. The structure, manufacturing validity, reliability and internal consistency of the inventory have been supported by studies of human resources occupations, like public employees (Koustelios & Bagiatis, 1997) and teachers in Primary and Secondary Education (Koustelios and Kousteiou, 2001; Koustelios and Kousteiou, 1998).

Employees’ feeling of job satisfaction has also been studied in parallel with a specific dimension of organizational culture, leadership. Studies have shown that in organizations which are flexible and adopt the participative management type, with emphasis in communication and employees’ reward, the latter are more likely to be satisfied, resulting in the organization’s success (Mckinnon et al., 2003). According to Schein (1992), there is an interactive relationship between the leader and the organizational culture. The leader creates an organization which reflects specific values and beliefs, a fact that leads to the creation of a specific culture. However, a culture is usually dynamic rather than static. As it evolves, therefore, it affects the actions and tactics of the leader. Hence, it could be said that, although the leader creates the culture primarily, he/ she is the one who evolves through this process, and so are the leadership tactics he/ she applies.

The two main types of leadership in organizations which are likely to influence the employee’s job satisfaction are the transactional and the transformational one. The transactional kind of leaders are the ones who tend to act within the frame of the prevailing culture, while the transformational kind of leaders often work towards change and adaptation of the culture to their own vision. Brown (1992) has stressed that a good leader must have the ability to change those elements of organizational culture that impede the performance of a company. Ogbonna and Harris (2000) found that leadership is indirectly linked to performance, while the specific characteristics of an organizational culture (e.g. competitiveness, originality) are directly linked to it.

Chang and Lee (2007) investigated the connection and interaction between leadership style, organizational culture and job satisfaction among 134 private field employees, including bank employees. According to the results, leadership style and organizational culture were very likely to influence employees’ job satisfaction positively, especially when the latter shared their leaders’ vision in the frame of a transformational leadership style. As a result, employees and superiors cooperate not only for the organization’s well being, but also for their personal completion, especially if the “clan” or the “task assignment” organizational culture is applied. Riaz et al. (2011) have come to similar conclusions in their study of the effect of transformational leadership on employees’ job commitment. More specifically, they found strong positive interaction between those two elements, and suggested that bank managers should adopt the transformational leadership style in order to increase employees’ commitment to the banking institution.

Bushra et al. (2011) investigated the relation between transformational leadership and job satisfaction among 133 bank employees in Pakistan. They found that transformational leadership had a positive impact on the general job satisfaction experienced by 42% of participants, indicating their preference for this particular leadership style. In general, transformational leadership seems not only to influence job satisfaction, but also to determine job commitment (Emery and Barker, 2007); the relation between job commitment and job satisfaction has been proven to be reciprocal, anyway (Riaz et al., 2011). The influence of this type of leadership lies in the ability of the leaders to promote those values related to goal achievement and emphasize on the impact of the employees’ performance on the latter. Transformational leaders inspire employees to work harder, providing them with the idea of a common vision, in the frame of which the company’s well being is strongly related to their personal evolvement and completion (Shamir et al., 1998; Givens, 2008).
Apart from organizational culture, occupational phenomena like job satisfaction and job commitment have been investigated in relation with national cultures, which also affect organizations’ structures, leadership, function and internal climate and culture (Hofstede, 1991; Cheng, 1995). Many cross-cultural researches have shown significant differences in characteristics of national—and thus organizational—culture between eastern and western societies and eastern and western-type organizations. More specifically, researches like the ones of Pye (1985), Chen et al. (2008) and El Kahal (2001) in eastern countries like China have revealed high power distance values and bureaucratic cultures, with owners and executives on top of structure and top-down directions. The opposite has been found in researches from western-type countries, like the United States of America and Australia (Hofstede, 1980; Malone, 1997; Conger and Kanungo, 1998). In those organizations, authority is legitimized more on performance and merit. Decision making and control are delegated and decentralized. Greater empowerment by management, however, is able to enhance employees’ participation, productivity and hence job satisfaction and job commitment.

In terms of leadership, transformational and “consideration” leadership attributes, common in western cultures, are considered to be significant for employees’ motivation and performance (Walder, 1995). Such attributes include empowerment and clear vision, which have been correlated with high job satisfaction and job commitment (Smith & Peterson, 1988, Iverson & Roy, 1994). On the contrary, eastern organizations are considered to function under a more “initiating structure” leadership style, which, however, has also been connected with job satisfaction (Walder, 1995). It could be said, therefore, that the role of national and organizational culture is crucial for employees’ job satisfaction and job commitment, if superiors adopt its most beneficial elements in order to build a strong relation with their colleagues.

The relation between organizational culture and job satisfaction has also been studied in the light demographical characteristics. The results seem to be similar both for eastern and western-type organizations and cultures. Sommer et al. (1996), for instance, found that job commitment of employees from Korea was positively correlated with position held, tenure and age, indicating that older employees, who held higher positions and for longer time reported higher levels of job satisfaction and job commitment. The same study, however, found no statistically significant correlation between educational level and job commitment among employees of western countries, stressing the role of education in job satisfaction as an element of national culture.

The study of Lok and Crawford (2004) among managers from Hong Kong and Australia showed that Australian managers reported higher the innovative and supportive culture measures and on job satisfaction and organizational commitment. However, significant difference between the two groups of participants was not found in terms of bureaucratic organizational culture or on consideration and initiating structure leadership styles. In addition, no significant difference was found with the impact of leadership style on job satisfaction and job commitment between the two samples. When it comes to demographic characteristics, statistically significant differences were found in the effects of gender and age on job satisfaction, as they were considered to have a more positive effect on job satisfaction among employees from Hong Kong.

From all the above, it can be supported that organizational culture and leadership styles are important organizational antecedents of job satisfaction and job commitment. Moreover, the results of recent researches suggest that national culture is able to produce statistically significant moderating effects on the impact of certain demographic, leadership and organizational culture variables on job satisfaction and job commitment.

3. Conclusion

Job satisfaction is one of the most extensively studied occupational phenomena worldwide. Literature review shows that they occur in multiple types of organizational culture internationally, and have a serious impact on employees’ behavior, job performance and everyday life. In addition, job satisfaction can be not only influenced, but also predicted by employees’ perceptions of organizational culture, especially leadership and social support. More specifically, innovative organizational cultures seem to be the most positively correlated with personal accomplishment, suggesting that staff who perceive their workplaces to be more dynamic and entrepreneurial have a greater sense of satisfaction in their roles.
According to the literature review, in many cases there is a significant difference between an organizations’ culture and the culture preferred by its employees. This fact should be taken into consideration, as many researches have revealed that it is likely to lead to decrease in job performance and increase job dissatisfaction and job burnout. Furthermore, differences between employees’ preferred and current organizational culture are likely to affect job commitment and turnover intention. Moreover, studies have revealed that the job burnout syndrome is likely to be prevented by taking into consideration and improving the aspects of job satisfaction experienced by employees of a specific institution.

What is more, taking into account the financial crisis that occurs globally, it does not come as a surprise that employees experience work-overload and underpay, develop competitive relationships with colleagues and superiors and get involved in strike actions. Additionally, they are likely to be affected by family issues, and thus have lower job performance, be fewer jobs committed and experience job burnout. Therefore, employees’ preferences should be measured, studied and utilized both in the frame of the specific organization they work in and in the frame of branches and national cultures, as promoting employee’s well being has been found to improve their performance and productivity and make organizations, institutions and companies more competitive, especially in times of financial crisis.

The literature suggests that enhancing perceived support and increasing job satisfaction can reduce the detrimental consequences of burnout and other aspects of occupational stress. Therefore, the interest of researchers has turned to the ways in which institutional contexts, organizational management and job characteristics impose constrains, both on the capacity of employees for better decisions and choices, but also on their day-to-day professional satisfaction and quality of life. In order to promote the multiple effects of job satisfaction, a systematic effort should be made by policy makers, employees and administrators of organizations, which may include stress management programs for all employees, managers and heads of branches. Such programs should be implemented on specific targets and by specially trained people, and focus on constant assessment of progress and success measurement. The best prospect is to create satisfactory working conditions for all employees in every institution, so that they are highly motivated to perform well and be committed to their job. As a result, they will experience lower levels of occupational stress and burnout and enforce all report higher levels of job satisfaction. Overall, it can be proposed that improving quality of occupation and services requires not only the understanding of the working environment, employees’ motivation and commitment, but also customers’ needs and literacy, policy, and the social and political context in which services are delivered.

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